

MINUTES OF THE SPECIAL MEETING OF THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, held in the Council Conference Chambers, 88 E. Chicago Street, on Monday, October 21, 2013.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY at 6:05 p.m.

The following members were present:	Jay Tibshraeny	Mayor
	Jack Sellers	Vice-Mayor
	Rick Heumann	Councilmember
	Jeff Weninger	Councilmember
	Trinity Donovan	Councilmember
	Kevin Hartke	Councilmember
	Nora Ellen	Councilmember

Also in attendance: Rich Dlugas, City Manager; Pat McDermott, Assistant City Manager; Marsha Reed, Assistant City Manager; Kay Bigelow, Acting City Attorney; Marla Paddock, City Clerk; R.J. Zeder, Transportation & Development Director; David Bigos, Mayor & Council Asst.; Jeff Kurtz, Planning Administrator.

MR. JEFF KURTZ, Planning Administrator, stated he would be reviewing the land use inventory, future residential growth, residential activity, unit types and single family lot sizes.

Mr. Kurtz reviewed a map showing current and existing land use as of April 2013. He explained that in the build-out phase, the important component is the 17.1% of agricultural vacant land. He said while there is a little more residential growth remaining, the majority is in employment and office. There is slightly less than 10% build-out in employment and noted that will go up to 17% in build-out.

He stated there are a little over 2,000 acres of residential remaining that has not zoned or has not been developed. He displayed a chart showing a breakdown of single family and multifamily and entitled and non-entitled property. He noted that some of the entitled land will come back in and seek a rezoning. There are 695 acres remaining that don't have a zoning category assigned.

COUNCILMEMBER WENINGER asked if this information accounts for county islands. MR. KURTZ replied it did as it is a composite of everything in the planning area. He noted that some of it may never be annexed, but for purposes of growth it is included in the acreage.

MR. KURTZ stated the 2008 General Plan anticipated the residential build-out and a focus was where higher densities should go. The General Plan is due for an update and staff will begin preparing next year with completion anticipated in 2018. This will allow enough time for a review to determine if any changes are needed in the planning policies in place since 2008. Specifically where the General Plan encourages higher density (over 18 units per acres) located in the downtown area, regional commercial area and in the high capacity transit corridors on Arizona Avenue and on Chandler Boulevard.

MR. KURTZ said there are currently just over 96,000 dwelling units and the build-out projection is a little more than 112,000 dwelling units. He said the ratio between single-family and multi-family is about a two-third and one-third ratio.

COUNCILMEMBER DONOVAN asked how the numbers are updated for build-out. MR. KURTZ said the number is updated as projects are approved.

Mr. Kurtz noted that as of January 2013, single family is at 72%, and 28% for multi-family. The expectation as build-out approaches is the multi-family number will increase up to 33%. These numbers have changed with recent re-zonings.

MAYOR TIBSHRAENY inquired how the 33% number compares with other cities and questioned if that is the number the Councils wants for multi-family at build-out. He stated he was a little concerned with that number. He asked what category included owner-occupied condominiums.

MR. KURTZ replied the multi-family will capture all of those products that are "attached" and not single family. MAYOR TIBSHRAENY commented that type of detail would be useful.

MR. KURTZ noted that in January 2008, multi-family in Chandler flat lined. There has been 5-6 years without much multi-family development. Single-family is hitting about 50 a month. There was a quicker recovery in multi-family than in single family.

Mr. Kurtz showed a map displaying 17 multi-family projects. He explained it takes about 2 years from zoning to occupation of the project. There was a rush to get sites zoned. Everything relies on rent rates and rates have not increased. Projects may not be realized even though they have zoning. Some may be developed "next cycle". He stated the total for all of the projects will be about 5,000 mf units, although not all are active.

There are 1600 of those 5,000 units that are completed or are under construction. Another 500 are in plan check. About 2100 units have gone through the entitlement stage. The remaining 1700 are inactive. He added there are about 1000 in the pending stage that have not come forward for zoning. So while, there is a perception there are many, in reality only half have gone to the construction phase. Many factors can affect this in a two year development period.

COUNCILMEMBER ELLEN questioned is there was a regulation on condo conversion. MR. KURTZ said they are prohibited by state law from regulating the form of ownership whether it is condo or multi family.

MAYOR TIBSHRAENY said he would like to see more of the town house/condo projects.

VICE MAYOR SELLERS expressed concern that there will be pressure to change our industrial employment property to residential as build-out approaches. MR. KURTZ agreed that has occurred in the past as the residential value increases.

COUNCILMEMBER HEUMANN expressed his desire to protect the land, ensuring quality is included along with the need for a custom product.

COUNCILMEMBER ELLEN said from her experience, all age groups are doing "move-ups" or "down-sizing". She agreed with an earlier comment that she didn't want one-third of the city to be apartments.

MR. KURTZ reiterated the one-third number includes all multi-family types, but would be glad to provide Council with a breakdown of the multifamily products.

COUNCILMEMBER WENINGER called for balance in the product. He expressed concern with the need not to design everything, but instead provide options. He noted the Council could be more specific on properties owned by the City in the downtown area.

MAYOR TIBSHRAENY agreed with the need to have a diverse product available, but reiterated it feels a little heavy on the multi-family. He agreed with Councilmember Heumann's comments on providing custom products. No new custom subdivisions are currently being built.

Mayor noted there are 5 big apartment complexes proposed in downtown Chandler.

MR. KURTZ reviewed the single family projects that are zoned or have current permit activity. There are 2800 lots which is indicative of not having much single family land left. The bulk of it in the subdivisions (20) being in the 6-10,000 s.f. lot size, nine in the 6,000 s.f. or less; and 11 in the 10-18,000 s.f. lot size. He noted there was not much land left for custom home or large lot single family development.

Mr. Kurtz reviewed the incentives for large lot subdivisions. He explained there are two tools. The Residential Development Standards apply city wide. However, lots over 10,000 s.f. don't have to comply with all of the standards. Lots over 12,000 s.f. have the option to reduce/decrease some of the specific development standards. These tools would encourage larger lot development by reducing development requirements.

He explained in Southeast Chandler all subdivisions have to comply with the Residential Development Standards, but the lower in density, less than 2.5 du/ac, the requirement for the development standards lessens.

Mr. Kurtz reported there are currently there are 28 custom home subdivisions with 268 vacant lots citywide.

In a response from a question from Councilmember Heumann on adaptive reuse, Mr. Kurtz said the Mayor's Task force looking at infill development from a policy standpoint. There are tools in the current zoning code where the standards can be reduced in the case of property reuse.

MAYOR TIBSHRAENY asked that staff provide Council the breakout of multi-family categories, and ideas on incentives to encourage more owner owned condos and townhouses, and subdivisions with lots over 20,000 s.f. Mayor gave examples of projects such as the The Pueblo, Villas at Ocotillo.

COUNCILMEMBER WENINGER expressed his desire to see unique projects whether it be for a restaurant, park, or neighborhood.

In response to a question from Councilmember Heumann, MR. ZEDER said they have tagged onto City of Phoenix's self-certification program. There is now an allowance for tenant improvements up to 25,000 s.f. He said while they have not seen much participation, he believes that is due to the ability to turn plan reviews around quickly. Mr. Zeder noted the Small Business Assistance Program in place. He reported the Electronic Plan Review is a work in progress, as there are several technical items that must be upgraded.

